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Spy Suspect Is Released on \$500,000 Bond

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Former Army counterintelligence specialist Richard Craig Smith, insisting that he has done nothing "to betray my country," was released on \$500,000 bond yesterday.

Smith, who is charged with selling secrets to the Soviets, was released after family and friends raised \$509,250 in collateral from real estate and bank-issued letters of credit. He will be staying with family friends in McLean and will be required to report daily by telephone to federal marshals.

"I'm just as loyal as anybody in the Justice Department," Smith told reporters outside the federal courthouse in Alexandria where he signed his bond papers. "... There are two sides to every story and I'm looking to tell my side of the story."

Smith, who had worked as a civilian and a sergeant for the Army Security and Intelligence Command, had been held at the Fairfax County jail since April 4, when he surrendered to the FBI at Dulles International Airport.

He is charged with disclosing the identities of six U.S. double agents to a Soviet KGB officer stationed in Tokyo for \$11,000. If convicted of the espionage charges, Smith could be sentenced to life in prison. A federal judge has scheduled his trial for July 9.

Smith was accompanied by his older brother Hyrum, an Ozark Airlines pilot, and one of his attorneys, William B. Cummings. He said he had lost some weight while in jail, felt "wonderful" to be released, and was overwhelmed by the outpouring of support from his family and friends.

"It's difficult for me to discuss the support that I've had. Someday I hope my children will be able to read those letters," he said.

Sporting a yellow crocus in the lapel of his sports jacket, Smith said he was looking forward to a good meal—"a steak and a Pepsi"—and was anxious to begin working with his lawyers on his defense, something he said he had been unable to do while in jail.

His defense attorneys have asserted that Smith, 40, of Bellevue, Wash., had been assured by the FBI and the CIA that he would be protected if he told them what and how he passed information to a Soviet KGB officer. In court papers filed in Alexandria, the lawyers do not deny that Smith, whose Utah business ventures encountered financial problems, had initiated contacts with Soviet officials.

But they say his intent was to give "unimportant and outdated classified material" and work as a double agent for the United States to help the FBI and CIA make arrests of Soviet spies working in this country, according to papers filed in U.S. District Court.

Yesterday, Smith said he was surprised by the

timing of his arrest and the severity of the charges against him.

"I knew I was going to be arrested," he said, referring to his continuous contacts with and surveillance by the FBI earlier this year. But, he said, he had not expected to be arrested at Dulles as he stepped off a flight from Seattle, and did not anticipate the extensive press coverage at the time of his arrest.

Asked if he felt betrayed by his government, Smith said he had no comment. He also declined to comment on why he did not contact a lawyer initially, but instead, contacted a former Mormon bishop in his church who is also an FBI agent.

Smith, who left the Army in January 1980, was the case officer or alternate case officer in charge of one double-agent operation, code-named "Royal

Miter," from October 1976 to July 1978. Federal prosecutors have charged him with disclosing the identity of Royal Miter and five other double agents to Victor I. Okunev, a Soviet KGB officer, in three meetings occurring between November 1982 and February 1983 at the Soviet commercial compound in Tokyo.

Federal prosecutors contend that Smith only contacted the FBI because he thought he had been detected by Japanese surveillance of the Soviet compound. They say he sought to avoid prosecution by saying he would pretend to cooperate further with the Soviets and that he only began telling the FBI what took place after he had been confronted with "certain unusual occurrences" that had taken place "involving certain double agent operations."